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**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

**BASIC FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

AS OF AND FOR THE YEAR ENDED JUNE 30, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/6/06

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
BASIC FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2006**

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BASIC FINANCIAL STATEMENTS

JOHN D. BUTLER & COMPANY
A PROFESSIONAL ACCOUNTING CORPORATION
P. O. BOX 30
BAKER, LOUISIANA 70704-0030

(225) 775-4982

INDEPENDENT AUDITORS' REPORT

Board Members of the
Louisiana Soybean and Grain Research and Promotion Board
P. O. Box 95004
Baton Rouge, Louisiana 70895-9004

We have audited the accompanying financial statements of the business-type activities of the Louisiana Soybean and Grain Research and Promotion Board as of and for the year ended June 30, 2006, which collectively comprise the Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Louisiana Soybean and Grain Research and Promotion Board's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Louisiana Soybean and Grain Research and Promotion Board as of June 30, 2006, and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplemental information, as listed in the table of contents, is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. This required supplemental information is the responsibility of the Louisiana Soybean and Grain Research and Promotion Board's management. It has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects when considered in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2006, on our consideration of the Louisiana Soybean and Grain Research and Promotion Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying supplemental information listed in the table of contents under Supplemental Schedules and Information and Other Required Supplementary Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



John D. Butler & Company
A Professional Accounting Corporation
August 7, 2006

REQUIRED SUPPLEMENTAL INFORMATION

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006**

The purpose of this section is to offer a narrative overview and analysis of the Louisiana Soybean and Grain Research and Promotion Board's (hereafter referred to as the Board) financial performance during the year ended June 30, 2006. It focuses on the current year's activities, resulting changes and currently known facts. It should be read in conjunction with the financial report taken as a whole.

Financial Highlights

- The Board's assets exceeded its liabilities at the close of the year by \$928,341.

Overview of the Financial Statement Presentation

These financial statements are comprised of these components – (1) management's discussion and analysis, (2) basic financial statements, (3) notes to the financial statements and (4) required supplemental information. There is also other supplementary information contained in this report provided for additional information.

Basic Financial Statements. The basic financial statements present information for the Board as a whole in a format designed to make the statements easier for the reader to understand. Statements in this section include the following:

Statement of Net Assets. This statement presents information on all of the Board's assets and liabilities with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Board is improving or not.

Statement of Revenues, Expenses and Changes in Fund Net Assets. This statement presents information showing how the Board's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement is designed to show the Board's financial reliance on general revenues.

Statement of Cash Flows. The change in cash as a result of current year operations is depicted in this statement. The cash flow statement includes a reconciliation of operating income (loss) to the net cash provided by or used for operating activities as required by GASB No. 34.

The basic financial statements begin on page 9.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The index of the notes is found on page 14 with the actual notes beginning immediately afterwards.

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

Required Supplementary Information. As a component unit of the State of Louisiana, the Board complies with the reporting requirements of the Division of Administration, Office of Statewide Reporting and Accounting. Included as other required supplementary information is the Louisiana Comprehensive Annual Financial Report completed with information relative to the Board.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain other information that is deemed useful to readers of this report.

Financial Analysis of the Board

Net assets are an indicator of the Board's financial position from year to year. A summary of net assets follows.

SUMMARY OF NET ASSETS

	<u>2006</u>	<u>2005</u>
Assets		
Current assets	\$ 1,167,682.60	\$ 1,580,628.11
Non-current assets	<u>200,000.00</u>	<u>200,000.00</u>
Total Assets	1,367,682.60	1,780,628.11
 Liabilities		
Current liabilities	<u>439,340.99</u>	<u>780,671.36</u>
 Net Assets		
Unrestricted	<u>928,341.61</u>	<u>999,956.75</u>

Net assets of the Board decreased by \$71,615 or 7% from June 30, 2005 to June 30, 2006. This is a result of additional awareness campaigns and promotions conducted by the Board primarily related to Asian Soybean Rust.

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006**

A summary of changes in net assets is as follows:

SUMMARY OF CHANGES IN NET ASSETS

	<u>2006</u>	<u>2005</u>
Operating Revenues	\$ 1,153,267.14	\$ 1,317,106.26
Operating Expenses	<u>(1,286,546.61)</u>	<u>(1,258,921.20)</u>
Operating Loss	(133,279.47)	58,185.06
Non-operating Revenues (Expenses)	<u>61,664.33</u>	<u>32,873.69</u>
Change in Net Assets	<u><u>(71,615.14)</u></u>	<u><u>91,058.75</u></u>

Revenues decreased by \$163,839.12 or 12% while expenses increased by \$27,625.41 or 2%. The significant decrease in revenues was primarily with the assessments, while the increase in expenses was due to research and promotion.

Cash flow activity of the Board for the past two years is as follows:

STATEMENT OF CASH FLOWS

	<u>2006</u>	<u>2005</u>
Cash and cash equivalents provided by (used for):		
Operating activities	\$ (489,752.37)	\$ 482,213.32
Non-capital financing activities	.00	.00
Capital and related financing activities	.00	.00
Investing activities	<u>61,664.33</u>	<u>32,873.69</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(428,088.04)	515,087.01
Cash and cash equivalents, beginning of year	<u>1,561,988.01</u>	<u>1,046,901.00</u>
Cash and cash equivalents, end of year	<u><u>1,133,899.97</u></u>	<u><u>1,561,988.01</u></u>

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006**

Capital Asset and Debt Administration

Capital Assets: The Board does not currently own any capital assets.

Debt Administration: The Board does not have any debt outside of trade payables.

Economic Environment and Next Year's Budget

Ultimately, the harvested production of soybeans, corn, grain sorghum and wheat will determine the overall funds available for research and promotion projects. The Board allocates funds after the various grains are harvested and most of the assessments have been collected. Louisiana's production acreage for all of these crops is lower than the previous year. With normal yields and reduced acreage, the Board will have to give careful consideration in either reducing research programs or allocating reserves. For soybean projects, the income available will also be impacted by prices since the soybean assessments are a percent of value.

Request for Information

This financial report is designed to provide a general overview of the Board's finances, comply with finance-related laws and regulations and demonstrate the Board's commitment to public accountability. Any questions or requests for additional information can be obtained by contacting Kyle McCann, P.O. Box 95004, Baton Rouge, Louisiana 70895-9004.

FUND FINANCIAL STATEMENTS

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2006

	<u>Business-type Activities</u>
<u>ASSETS</u>	
Current Assets	
Cash and cash equivalents	\$ 1,133,899.97
Accounts receivable	<u>33,782.63</u>
Total Current Assets	1,167,682.60
Non-Current Assets	
Investments	<u>200,000.00</u>
Total Assets	1,367,682.60
<u>LIABILITIES</u>	
Current Liabilities	
Accounts payable	419,843.50
Assessments payable - United Soybean Board	<u>19,497.49</u>
Total Current Liabilities	<u>439,340.99</u>
<u>NET ASSETS</u>	
Unrestricted	<u>928,341.61</u>
Total Net Assets	<u><u>928,341.61</u></u>

The accompanying notes are an integral part of this statement.

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET ASSETS
JUNE 30, 2006

	<u>Business-type Activities</u>
<u>OPERATING REVENUES</u>	
Assessments, net of refunds	\$ 1,144,428.99
Grant proceeds	<u>8,838.15</u>
Total Operating Revenues	1,153,267.14
<u>OPERATING EXPENSES</u>	
Assessments to United Soybean Board	427,619.57
Research and promotion	830,062.21
Professional services	3,450.00
Board meetings and travel	10,979.47
General and administrative	<u>14,435.36</u>
Total Operating Expenses	<u>1,286,546.61</u>
Operating Loss	(133,279.47)
<u>NON-OPERATING REVENUES (EXPENSES)</u>	
Interest income	<u>61,664.33</u>
Change in Net Assets	(71,615.14)
Total Net Assets, beginning	<u>999,956.75</u>
Total Net Assets, ending	<u><u>928,341.61</u></u>

The accompanying notes are an integral part of this statement.

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
STATEMENT OF CASH FLOWS
JUNE 30, 2006

	<u>Business-type Activities</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 1,129,286.46
Cash received from grant programs	8,838.15
Cash paid to suppliers for goods/services	<u>(1,627,876.98)</u>
Net Cash Used for Operating Activities	(489,752.37)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	-
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received from investments	<u>61,664.33</u>
Net Cash Provided by Investing Activities	<u>61,664.33</u>
Net Decrease in Cash and Cash Equivalents	(428,088.04)
Cash and Cash Equivalents, beginning of year	<u>1,561,988.01</u>
Cash and Cash Equivalents, end of year	<u><u>1,133,899.97</u></u>

Continued

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
STATEMENT OF CASH FLOWS (Continued)
JUNE 30, 2006

	<u>Business-type Activities</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES	
Operating loss	\$ (133,279.47)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
(Increase) decrease in assets:	
Accounts receivable	(15,142.53)
Increase (decrease) in liabilities:	
Accounts payable	<u>(341,330.37)</u>
Net Cash Used for Operating Activities	<u><u>(489,752.37)</u></u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
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JUNE 30, 2006

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LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

INTRODUCTION

The Louisiana Soybean and Grain Research and Promotion Board is a component unit of the State of Louisiana. It was created by Louisiana Revised Statute 3:551 within the Department of Agriculture and Forestry. The Board is charged with the responsibility of promoting the growth and development of the soybean, wheat, corn and grain sorghum industries in Louisiana through research and advertisements.

The Board is composed of ten producer members that are appointed by the Governor of the State of Louisiana and serve terms concurrent with the Governor. Of the ten members, eight shall be soybean producers while two shall be practical producers of wheat, corn or grain sorghum. The Commissioner of Agriculture serves as an ex-officio member. Board members, as authorized by Louisiana Revised Statute 3:551.32, receive expense reimbursements to attend meetings or conduct board-approved business.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting practice of the Louisiana Soybean and Grain Research and Promotion Board conforms to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

Financial Reporting Entity: Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Board is considered a component unit of the State of Louisiana because the State exercises oversight responsibility in that the Governor appoints the board members and public service is rendered within the State's boundaries. The accompanying financial statements present only the transactions of the Louisiana Soybean and Grain Research and Promotion Board.

Fund Accounting: The Board uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

A fund is a separate entity with a self-balancing set of accounts. Funds of the Board are classified under one category: proprietary. This category, in turn, is further divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Proprietary Funds – used to account for governmental activities that are similar to activities performed by commercial enterprises in that goods/services are provided for a fee. Proprietary funds of the Board included the following fund types:

1. Enterprise Funds – account for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Basis of Accounting/Measurement Focus: In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification, and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles and are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy.

Basis of accounting refers to when revenues and expenses are recognized and reported and relates to the time of the measurement, regardless of the measurement focus applied. The fund financial statements of the Board are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of business-type activities are included in the statement of net assets. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred. In these statements, capital assets are reported and depreciated in each fund, and long-term debt is reported.

Operating/Non-Operating Revenues: Proprietary funds separately report operating and non-operating revenues. Revenues from assessments and grants for operating purposes are considered operating revenues. All other revenues, which are reported as cash flows from capital or non-capital financing and investing, are reported as non-operating revenues.

Application of FASB Statements and Interpretations: Reporting on governmental-type and business-type activities are based on FASB Statements and Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

Budgets and Budgetary Accounting: The Board adopts an annual budget prepared in accordance with the basis of accounting utilized by that fund although it is not legally required to do so. It is reviewed and amended, if necessary, at each Board meeting.

Cash and Cash Equivalents: Cash and cash equivalents include amounts in interest-bearing demand deposits. Under state law, the Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents.

Investments: Investments are limited by Louisiana Revised Statute 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair value with the corresponding increase or decrease reported in investment earnings.

Inventory: Inventory of the Board includes only office supplies and printed materials, the amount of which is considered immaterial. Therefore, the acquisition of these items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statements.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Capital Assets: Capital assets are recorded at historical cost. Depreciation is recorded using the straight-line method over the useful lives of the assets. Generally, the Board includes all capital acquisitions with a cost of \$5,000 in its fixed asset inventory. However, certain items at a cost below that amount may be capitalized if benefits of the item will extend beyond one year and/or the Board wants to monitor the item. The Board does not have any capital assets at June 30, 2006.

Compensated Absences: The Board does not have any current or former employees.

Net Assets: In the statement of net assets, the difference between a government's assets and liabilities is recorded as net assets. The three components of net assets is as follows:

Invested in Capital Assets, Net of Related Debt

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

Restricted Net Assets

Net assets that are reserved by external sources such as banks or by law are reported separately as restricted net assets. When assets are required to be retained in perpetuity, the non-expendable net assets are recorded separately from expendable net assets. These are components of restricted net assets. Restricted resources are exhausted before unrestricted net assets are used.

Unrestricted Net Assets

This category represents net assets not appropriable for expenditures or legally segregated for a specific future use.

NOTE 2 – CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents at June 30, 2006:

	<u>Book Balance</u>	<u>Bank Balance</u>
Interest-bearing demand deposits	<u>\$ 1,133,899.97</u>	<u>\$ 1,522,574.71</u>

These deposits are stated at cost, which approximates market. Under state law, they must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding, or custodial bank that is mutually acceptable to both parties.

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Board does not have any deposits that fall within this category. Deposits of the Board are secured with \$100,000 (Capital One) of insurance through FDIC and \$2,382,896 of pledged collateral.

NOTE 3 – INVESTMENTS

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured and unregistered, not registered in the name of the entity or are held either by the counter-party or the counter-party's trust department or agent but not in the entity's name. All investments of the Board are certificates of deposit with maturities extending beyond 90 days. They are not subject to custodial credit risk. At June 30, 2006, the Board had one certificate whose reported amount equaled its fair value as follows:

	<u>Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Capital One	10/2/06	5.07%	<u>\$ 200,000.00</u>

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 4 – RECEIVABLES

The Board receives an assessment of one-cent per bushel on soybeans and one-half cent per bushel on wheat, corn and grain sorghum grown within the State. It is collected by the buyer at the first point of sale and remitted each month to the Commissioner of Agriculture. It is forwarded the following month, less administrative fees, to the Board. June collections remitted to the Board in July included the following:

<u>Class of Receivable</u>	<u>Amount</u>
Assessments	<u>\$ 33,782.63</u>

The allowance for doubtful accounts is set at zero percent.

NOTE 5 - LEASES

The Board did not have any operating or capital leases at June 30, 2006.

NOTE 6 – ACCOUNTS AND OTHER PAYABLES

The following is a summary of payables at June 30, 2006:

<u>Class of Payables</u>	<u>Amount</u>
Accounts	\$ 419,843.50
Assessments	<u>19,497.49</u>
Total	<u>439,340.99</u>

NOTE 7 – LONG-TERM LIABILITIES

The Board has no long-term debt.

NOTE 8 – RELATED PARTY TRANSACTIONS

The Board is a member of the United Soybean Board and has certain compliance requirements to that Board under the Soybean Promotion, Research and Consumer Information Act. Assessments collected on behalf of and remitted to the United Soybean Board are presented in Supplemental Schedules and Information on page 24. A balance of \$19,497.49 is due to the United Soybean Board for the quarter ended June 30, 2006. This was remitted in July of 2006.

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006**

NOTE 9 – LITIGATION

There is no litigation that would require disclosure in this report.

NOTE 10 – SUBSEQUENT EVENTS

There have been no events between the close of the year through issuance of this report that would materially impact these financial statements.

SUPPLEMENTAL SCHEDULES AND INFORMATION

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
JUNE 30, 2006**

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, a schedule of per diem paid to board members should be presented.

Board members of the Louisiana Soybean and Grain Research and Promotion Board do not receive a per diem for attending Board meetings. They are reimbursed for their actual expenses.

See Auditors' Report.

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
SCHEDULE OF UNRESTRICTED NET ASSETS
YEAR ENDED JUNE 30, 2006

	<u>Soybean</u>	<u>Grains</u>	<u>Total</u>
Cash and Cash Equivalents			
Interest-bearing demand deposits	\$ 777,109.06	\$ 356,790.91	\$ 1,133,899.97
Accounts Receivables			
Assessments	11,143.48	22,639.15	33,782.63
Investments			
Certificate of Deposit	200,000.00	-	200,000.00
Totals Assets	988,252.54	379,430.06	1,367,682.60
Accounts Payable			
LSU Agriculture Center	246,668.50	140,725.00	387,393.50
USGC	-	18,750.00	18,750.00
NCGA	-	7,500.00	7,500.00
NGSPA	-	3,750.00	3,750.00
Professional fees	1,849.75	600.25	2,450.00
United Soybean Board - assessments	19,497.49	-	19,497.49
Total Liabilities	268,015.74	171,325.25	439,340.99
Total Net Assets, Unrestricted	720,236.80	208,104.81	928,341.61

See Auditors' Report.

LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
SCHEDULE OF ASSESSMENTS PAID TO UNITED SOYBEAN BOARD
YEAR ENDED JUNE 30, 2006

Under the United States Soybean Promotion, Research and Consumer Information Act, the United Soybean Board is allowed to assess one-half of one percent of the net market price of soybeans sold by the producer to the first purchaser. This Act further states that, "No more than one assessment shall be made on any soybeans" and that, "The Board shall use qualified State soybean boards to collect such assessments in States in which such boards operate." As a result, the Louisiana Soybean and Grain Research and Promotion Board is required to collect assessments from soybean producers on behalf of the United Soybean Board.

	<u>Soybeans</u>	<u>Grains</u>	<u>Total</u>
Assessments received	\$ 862,619.28	\$ 281,968.92	\$ 1,144,588.20
Refunds	.00	(159.21)	(159.21)
Sub-total	862,619.28	281,809.71	1,144,428.99
Collection expense ¹	(7,380.14)	(4,619.86)	(12,000.00)
Assessments, net	855,239.14	<u>277,189.85</u>	<u>1,132,428.99</u>
	<u>x 50%</u>		
USB assessment	<u>427,619.57</u>		

¹The Board receives the assessments from the Louisiana Department of Agriculture and Forestry net of this collection expense. The deduction of refunds and collection expenses incurred by the Board are allowed under the Act.

See Auditors' Report.

JOHN D. BUTLER & COMPANY
A PROFESSIONAL ACCOUNTING CORPORATION
P. O. BOX 30
BAKER, LOUISIANA 70704-0030

(225) 775-4982

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Board Members of the
Louisiana Soybean and Grain Research and Promotion Board
P. O. Box 95004
Baton Rouge, Louisiana 70895-9004

We have audited the basic financial statements of the Louisiana Soybean and Grain Research and Promotion Board as of and for the year ended June 30, 2006, and have issued our report thereon dated August 7, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Louisiana Soybean and Grain Research and Promotion Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Louisiana Soybean and Grain Research and Promotion Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, the Legislative Auditor distributes this report as a public document.

A handwritten signature in cursive script, appearing to read "John D. Butler & Co.", is written in dark ink.

John D. Butler & Company
A Professional Accounting Corporation
August 7, 2006

JOHN D. BUTLER & COMPANY
A PROFESSIONAL ACCOUNTING CORPORATION
P. O. BOX 30
BAKER, LOUISIANA 70704-0030

(225) 775-4982

**REPORT ON COMPLIANCE WITH THE SOYBEAN PROMOTION, RESEARCH AND
CONSUMER INFORMATION ACT AND THE SOYBEAN PROMOTION
AND RESEARCH ORDER, BASED ON AN AUDIT PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Board Members of the
Louisiana Soybean and Grain Research and Promotion Board
P. O. Box 95004
Baton Rouge, Louisiana 70895-9004

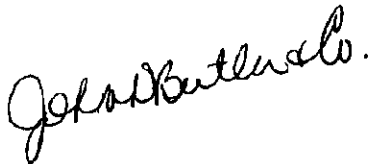
We have audited the basic financial statements of the Louisiana Soybean and Grain Research and Promotion Board as of and for the year ended June 30, 2006, and have issued our report thereon dated August 7, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance with the Soybean Promotion, Research and Consumer Information Act (hereafter referred to as the Act) and the Soybean Promotion and Research Order (hereafter referred to as the Order) relative to the use of funds collected by the State Board and with the terms described in Section 1220.228(a) of the Order relative to the investment of funds collected by the State Board is the responsibility of the Louisiana Soybean and Grain Research and Promotion Board's management. As part of obtaining reasonable assurance about whether the Louisiana Soybean and Grain Research and Promotion Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

Board Members of the
Louisiana Soybean and Grain Research and Promotion Board
Page Two

The results of our tests, however, disclosed no instances of noncompliance with the Act or Order as described above that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, the Legislative Auditor distributes this report as a public document.

A handwritten signature in cursive script that reads "John D. Butler & Co.".

John D. Butler & Company
A Professional Accounting Corporation
August 7, 2006

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2006**

We have audited the financial statements of the Louisiana Soybean and Grain Research and Promotion Board as of and for the year ended June 30, 2006, and have issued our report thereon dated August 7, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2006, resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

1. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control	Material Weakness	No
	Reportable Condition	No
Compliance	Compliance Material to F/S	No

2. Federal Awards

N/A

Section II Financial Statement Findings

None

Section III Federal Award Findings and Questioned Costs

N/A

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2006**

Section I Internal Control and Compliance Material to the Financial Statements

N/A

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Management Letter

N/A

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2006**

Section I Internal Control and Compliance Material to the Financial Statements

N/A

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Management Letter

N/A

OTHER REQUIRED SUPPLEMENTARY INFORMATION

**LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2006**

As a component unit of the State of Louisiana, the financial statements of the Louisiana Soybean and Grain Research and Promotion Board are included in the State of Louisiana's Comprehensive Annual Financial Report. Following are the statements being submitted to the Division of Administration as required. The amounts recorded have been subjected to the same auditing procedures as those recorded in the accompanying financial statements.

LOUISIANA SOYBEAN AND GRAIN RESEARCH
AND PROMOTION BOARD
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2006

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

MD&A

Balance Sheet	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
Statement of Activities	C
Statement of Cash Flows	D

Notes to the Financial Statements

A.	Summary of Significant Accounting Policies
B.	Budgetary Accounting
C.	Deposits with Financial Institutions and Investments (Information in Appendix B)
D.	Capital Assets – Including Capital Lease Assets
E.	Inventories
F.	Restricted Assets
G.	Leave
H.	Retirement System
I.	Post Retirement Health Care and Life Insurance Benefits
J.	Leases
K.	Long-Term Liabilities
L.	Contingent Liabilities
M.	Related Party Transactions
N.	Accounting Changes
O.	In-Kind Contributions
P.	Defeased Issues
Q.	Cooperative Endeavors
R.	Government-Mandated Nonexchange Transactions (Grants)
S.	Violations of Finance-Related Legal or Contractual Provisions
T.	Short-Term Debt
U.	Disaggregation of Receivable Balances
V.	Disaggregation of Payable Balances
W.	Subsequent Events
X.	Segment Information
Y.	Due to/Due from and Transfers
Z.	Liabilities Payable from Restricted Assets
AA.	Prior-Year Restatement of Net Assets
BB.	Net Assets Restricted by Enabling Legislation (Information in Appendix C)
CC.	Impairment of Capital Assets (Additional Info in Appendix D)
DD.	Employee Termination Benefits

Schedules

1	Schedule of Per Diem Paid to Board Members
2	Schedule of State Funding
3	Schedules of Long-Term Debt
4	Schedules of Long-Term Debt Amortization

Appendix

- A Instructions for the Simplified Statement of Activities
- B Information for Note C - "Deposits with Financial Institutions and Investments"
- C Information for Note BB - "Net Assets Restricted by Enabling Legislation"
- D Information for Note CC - "Impairment of Capital Assets"

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2006

Louisiana Soybean and Grain Research and Promotion Board

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Kyle McCann Accountant of the Louisiana Soybean and Grain Research and Promotion Board who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of Louisiana Soybean and Grain Research and Promotion Board at June 30, 2006 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this _____ day of _____, 20____.

Signature of Agency Official

NOTARY PUBLIC

Prepared by: _____

Title: _____

Telephone No.: _____

Date: _____

**STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2006**

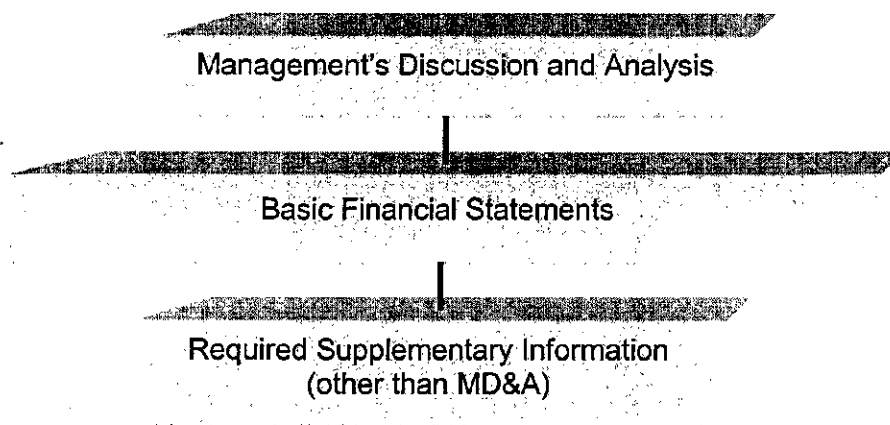
The Management's Discussion and Analysis of the Louisiana Soybean and Grain Research and Promotion Board's financial performance presents a narrative overview and analysis of Louisiana Soybean and Grain Research and Promotion Board's financial activities for the year ended June 30, 2006. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages 40 and the Louisiana Soybean and Grain Research and Promotion Board's financial statements, which begin on page 40.

FINANCIAL HIGHLIGHTS

- ★ The Louisiana Soybean and Grain Research and Promotion Board's assets exceeded its liabilities at the close of fiscal year 2006 by 928,341.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the Louisiana Soybean and Grain Research and Promotion Board as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

**STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2006**

The Balance Sheet (page 42) presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Louisiana Soybean and Grain Research and Promotion Board is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (page 43) presents information showing how Louisiana Soybean and Grain Research and Promotion Board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows (pages 45 - 46) presents information showing how Louisiana Soybean and Grain Research and Promotion Board's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating loss to net cash used for operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
as of June 30, 2006
(in thousands)

	Total	
	2006	2005
Current and other assets	\$ 1,367,682.60	\$ 1,780,628.11
Capital assets	-	-
Total assets	<u>1,367,682.60</u>	<u>1,780,628.11</u>
Other liabilities	439,340.99	780,671.36
Long-term debt outstanding	-	-
Total liabilities	<u>439,340.99</u>	<u>780,671.36</u>
Net assets:		
Invested in capital assets, net of debt	-	-
Restricted	-	-
Unrestricted	928,341.61	999,956.75
Total net assets	<u>\$ 928,341.61</u>	<u>\$ 999,956.75</u>

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of Louisiana Soybean and Grain Research and Promotion Board decreased by \$71,615.14, or 7%, from June 30, 2005 to June 30, 2006.

**STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2006**

**Statement of Revenues, Expenses, and Changes in Fund Net Assets
for the years ended June 30, 2006
(in thousands)**

	<u>Total</u>	
	<u>2006</u>	<u>2005</u>
Operating revenues	\$ 1,153,267.14	\$ 1,317,106.26
Operating expenses	<u>1,286,546.61</u>	<u>1,258,921.20</u>
Operating income(loss)	<u>(133,279.47)</u>	<u>58,185.06</u>
Non-operating revenues(expenses)	<u>61,664.33</u>	<u>32,873.69</u>
Income(loss) before transfers	<u>(71,615.14)</u>	<u>91,058.75</u>
Transfers in	-	-
Transfers out	<u>-</u>	<u>-</u>
Net increase(decrease) in net assets	\$ <u>(71,615.14)</u>	\$ <u>91,058.75</u>

The Louisiana Soybean and Grain Research and Promotion Board's total revenues decreased by \$163,839.12 or 12%. The significant decrease in revenues was primarily with the assessments, while the increase in expenses was due to research and promotion.

CAPITAL ASSET AND DEBT ADMINISTRATION N/A

Capital Assets

At the end of 2006, the Louisiana Soybean and Grain Research and Promotion Board had \$_____ invested in a broad range of capital assets, including _____ (See Table below)

This amount represents a net (decrease / increase) (including additions and deductions) of \$_____, or ____%, over last year.

STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2006

Capital Assets at Year-end
(Net of Depreciation, in thousands)

	<u>2006</u>	<u>2005</u>
Land	\$	\$
Buildings and improvements		
Equipment		
Infrastructure		
Totals \$	\$ -	\$ -

This year's major additions included (in thousands):

-
-
-

Debt

The _____ (BTA) had \$ _____ thousand in bonds and notes outstanding at year-end, compared to \$ _____ thousand last year, a (decrease / increase) of _____ % as shown in the table below.

Outstanding Debt at Year-end
(in thousands)

	<u>2006</u>	<u>2005</u>
General Obligation Bonds	\$	\$
Revenue Bonds and Notes		
Totals \$	\$ -	\$ -

New debt resulted from _____.

The _____ (BTA)'s bond rating continues to carry the _____ rating for general obligation bonds, and _____ rating for other debt.

The _____ (BTA) has claims and judgments of \$ _____ outstanding at year-end compared with \$ _____ last year. Other obligations include accrued vacation pay and sick leave.

**STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2006**

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS N/A

Revenues were approximately \$____ million over/under budget and expenditures were more than/less than budget due in part to _____.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Ultimately the harvested production of soybeans, corn, grain sorghum and wheat will determine the overall funds available for research and promotion projects. The Board allocates funds after the various grains are harvested and most of the assessments have been collected. Louisiana's production acreage for all of these crops is lower than the previous year. With normal yields and reduced acreage the Board will have to give careful consideration in either reducing research programs or allocating reserves. For soybean projects the income available will be impacted by prices since the soybean assessments are a percent of value.

CONTACTING THE LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Louisiana Soybean and Grain Research and Promotion Board's finances and to show the Louisiana Soybean and Grain Research and Promotion Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Kyle McCann, P.O. Box 95004, Baton Rouge, Louisiana 70895-9004.

STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
BALANCE SHEET
AS OF JUNE 30, 2006

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$	1,133,899.97
Investments		
Receivables (net of allowance for doubtful accounts)(Note U)		33,782.63
Due from other funds (Note Y)		
Due from federal government		
Inventories		
Prepayments		
Notes receivable		
Other current assets		
Total current assets		1,167,682.60

NONCURRENT ASSETS:

Restricted assets (Note F):		
Cash		
Investments		200,000.00
Receivables		
Notes receivable		
Investments		
Capital assets (net of depreciation)(Note D)		
Land		
Buildings and improvements		
Machinery and equipment		
Infrastructure		
Construction in progress		
Other noncurrent assets		
Total noncurrent assets		200,000.00
Total assets	\$	1,367,682.60

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$	419,843.50
Due to other funds (Note Y)		
Due to federal government		
Deferred revenues		
Amounts held in custody for others		
Other current liabilities		19,497
Current portion of long-term liabilities:		
Contracts payable		
Reimbursement contracts payable		
Compensated absences payable (Note K)		
Capital lease obligations - (Note J)		
Claims and litigation payable (Note K)		
Notes payable		
Liabilities payable from restricted assets (Note Z)		
Bonds payable		
Other long-term liabilities		
Total current liabilities		439,341

NON-CURRENT LIABILITIES:

Contracts payable		
Reimbursement contracts payable		
Compensated absences payable (Note K)		
Capital lease obligations (Note J)		
Claims and litigation payable (Note K)		
Notes payable		
Liabilities payable from restricted assets (Note Z)		
Bonds payable		
Other long-term liabilities		
Total long-term liabilities		
Total liabilities		439,341

NET ASSETS

Invested in capital assets, net of related debt		
Restricted for:		
Capital projects		
Debt service		
Unemployment compensation		
Other specific purposes		
Unrestricted		928,342
Total net assets		928,342
Total liabilities and net assets	\$	1,367,683

The accompanying notes are an integral part of this financial statement.

Statement A

STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2006

OPERATING REVENUES

Sales of commodities and services	\$	
Assessments		<u>1,144,429</u>
Use of money and property		
Licenses, permits, and fees		
Other		<u>8,838</u>
Total operating revenues		<u>1,153,267</u>

OPERATING EXPENSES

Cost of sales and services		<u>1,272,111</u>
Administrative		<u>14,435</u>
Depreciation		
Amortization		
Total operating expenses		<u>1,286,547</u>
Operating income(loss)		<u>(133,279)</u>

NON-OPERATING REVENUES(EXPENSES)

State appropriations		
Intergovernmental revenues (expenses)		
Taxes		
Use of money and property		
Gain on disposal of fixed assets		
Loss on disposal of fixed assets		
Federal grants		
Interest expense		
Other revenue		<u>61,664</u>
Other expense		
Total non-operating revenues(expenses)		<u>61,664</u>

Income(loss) before contributions and transfers		<u>(71,615)</u>
---	--	-----------------

Capital contributions		
Extraordinary item - Loss on impairment of capital assets		
Transfers in		
Transfers out		

Change in net assets		<u>(71,615)</u>
----------------------	--	-----------------

Total net assets – beginning as restated		<u>999,957</u>
--	--	----------------

Total net assets – ending	\$	<u>928,342</u>
---------------------------	----	----------------

The accompanying notes are an integral part of this financial statement.

Statement B

STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

See Appendix A for instructions

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Entity	\$ <u>1,286,547</u>	\$ <u>1,144,429</u>	\$ <u>8,838</u>	\$ <u></u>	\$ <u>(133,279)</u>
General revenues:					
Taxes					
State appropriations					
Grants and contributions not restricted to specific programs					
Interest					61,664
Miscellaneous					
Special items					
Extraordinary item - Loss on impairment of capital assets					
Transfers					
Total general revenues, special items, and transfers					61,664
Change in net assets					(71,615)
Net assets - beginning as restated					999,957
Net assets - ending					\$ <u>928,342</u>

STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2006

Cash flows from operating activities

Cash received from customers	\$	1,129,286	
Cash payments to suppliers for goods and services		(1,627,877)	
Cash payments to employees for services			
Payments in lieu of taxes			
Internal activity-payments to other funds			
Claims paid to outsiders			
Other operating revenues(expenses)		8,838	
Net cash provided(used) by operating activities	\$		(489,752)

Cash flows from non-capital financing activities

State appropriations			
Proceeds from sale of bonds			
Principal paid on bonds			
Interest paid on bond maturities			
Proceeds from issuance of notes payable			
Principal paid on notes payable			
Interest paid on notes payable			
Operating grants received			
Transfers in			
Transfers out			
Other			
Net cash provided(used) by non-capital financing activities			-

Cash flows from capital and related financing activities

Proceeds from sale of bonds			
Principal paid on bonds			
Interest paid on bond maturities			
Proceeds from issuance of notes payable			
Principal paid on notes payable			
Interest paid on notes payable			
Acquisition/construction of capital assets			
Proceeds from sale of capital assets			
Capital contributions			
Other			
Net cash provided(used) by capital and related financing activities			-

Cash flows from investing activities

Purchases of investment securities			
Proceeds from sale of investment securities			
Interest and dividends earned on investment securities		61,664	
Net cash provided(used) by investing activities			61,664

Net increase(decrease) in cash and cash equivalents			(428,088)
Cash and cash equivalents at beginning of year			1,561,988.01
Cash and cash equivalents at end of year	\$		1,133,900

The accompanying notes are an integral part of this statement.

Statement D (continued)

**STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH AND PROMOTION BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2006**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		\$ <u>(133,279)</u>
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization		
Provision for uncollectible accounts		
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	(15,143)	
(Increase)decrease in due from other funds		
(Increase)decrease in prepayments		
(Increase)decrease in inventories		
(Increase)decrease in other assets		
Increase(decrease) in accounts payable and accruals	(341,330)	
Increase(decrease) in accrued payroll and related benefits		
Increase(decrease) in compensated absences payable		
Increase(decrease) in due to other funds		
Increase(decrease) in deferred revenues		
Increase(decrease) in other liabilities		
Net cash provided(used) by operating activities		\$ <u>(489,752)</u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	\$ _____
Contributions of fixed assets	_____
Purchases of equipment on account	_____
Asset trade-ins	_____
Other (specify)	_____
_____	_____
_____	_____
Total noncash investing, capital, and financing activities:	\$ <u>_____</u>

The accompanying notes are an integral part of this statement.

Statement D (concluded)

STATE OF LOUISIANA
Louisiana Soybean and Grain Research Promotion Board
Notes to the Financial Statement
As of and for the year ended June 30, 2006

INTRODUCTION

The Louisiana Soybean and Grain Research and Promotion Board was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 3:551. The following is a brief description of the operations of Board which includes the parish/parishes in which the Board is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of Board present information only as to the transactions of the programs of the Board as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Board are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING NIA

The appropriations made for the operations of the various programs of the Board are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA
Louisiana Soybean and Grain Research Promotion Board
Notes to the Financial Statement
As of and for the year ended June 30, 2006

	<u>APPROPRIATIONS</u>
Original approved budget	\$ _____
Amendments:	_____

Final approved budget	\$ _____ -

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix B for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Board (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by the three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2006, consisted of the following:

STATE OF LOUISIANA
Louisiana Soybean and Grain Research Promotion Board
Notes to the Financial Statement
As of and for the year ended June 30, 2006

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Deposits in Bank Accounts Per Balance Sheet	\$ 1,133,900	\$ _____	\$ _____	\$ 1,133,899.97
Bank Balances of Deposits Exposed to Custodial Credit Risk:				
a. Uninsured and uncollateralized	\$ _____	\$ _____	\$ _____	\$ -
b. Uninsured and collateralized with securities held by the pledging institution	_____	_____	_____	-
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the entity's name	_____	_____	_____	-
Total Bank Balances - All Deposits	\$ _____	\$ _____	\$ _____	\$ -

NOTE: The "Total Bank Balances - All Deposits" will not necessarily equal the "Deposits in Bank Account per Balance Sheet" due to outstanding items.

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. Capital One	Operation	\$ 1,133,900
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
Total		\$ 1,133,900

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury \$ _____
Petty cash \$ _____

2. INVESTMENTS

The Board (BTA) does/does not maintain investment accounts as authorized by La. R.S. 33:2955. (Note legal provisions authorizing investments by (BTA)).

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent but not in the entity's name. Using the following table, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

As of and for the year ended June 30, 2006

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by the three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name. In addition, the total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.

Type of Investment	Investments Exposed to Custodial Credit Risk		All Investments Regardless of Custodial Credit Risk Exposure	
	Uninsured, *Unregistered, and Held by Counterparty	Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent <u>Not in</u> <u>Entity's Name</u>	Reported Amount	Fair Value
Repurchase agreements	\$ _____	\$ _____	\$ _____	\$ _____
U.S. Government securities	_____	_____	_____	_____
U. S. Agency Obligations	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____
Commercial paper	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total investments	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____

* unregistered - not registered in the name of the government or entity

3. Derivatives N/A

The institution does/does not (circle one) invest in derivatives as part of its investment policy. Accordingly, the exposure to risk from these investments is as follows:

credit risk

market risk

legal risk

4. Credit Risk, Interest Rate Risk, Concentration of Credit Risk, and Foreign Currency Risk Disclosures

A. Credit Risk of Debt Investments N/A

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end. All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).

STATE OF LOUISIANA
Louisiana Soybean and Grain Research Promotion Board
Notes to the Financial Statement
As of and for the year ended June 30, 2006

<u>Rating</u>	<u>Fair Value</u>
	\$
Total	\$ -

B. Interest rate Risk N/A

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type.

<u>Type of Debt investment</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Greater Than 10</u>
U.S. Government obligations	\$	\$	\$	\$	\$
U.S. Agency obligations					
U.S. Treasury obligations					
Mortgage backed securities					
Collateralized mortgage obligations					
Corporate bonds					
Other bonds					
Mutual funds					
Other					
Total debt investments	\$ -	\$ -	\$ -	\$ -	\$ -

2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms of the investment (e.g. coupon multipliers, reset dates, etc.):

<u>Debt Investment</u>	<u>Fair Value</u>	<u>Terms</u>
	\$	
Total	\$ -	

C. Concentration of Credit Risk N/A

List, by amount and issuer, investments in any one issuer (not including U.S. government securities, mutual funds, and external investment pools) that represents 5% or more of total investments.

STATE OF LOUISIANA
Louisiana Soybean and Grain Research Promotion Board
Notes to the Financial Statement
As of and for the year ended June 30, 2006

<u>Issuer</u>	<u>Amount</u>	<u>% of Total Investments</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____	_____

D. Foreign Currency Risk *N/A*

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies); list by currency denomination and investment type, if applicable.

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total	\$ _____	\$ _____

5. Policies *N/A*

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

6. Other Disclosures Required for Investments *N/A*

- a. Investments in pools managed by other governments or mutual funds _____
- b. Securities underlying reverse repurchase agreements _____
- c. Unrealized investment losses _____
- d. Commitments as of _____ (fiscal close), to **resell** securities under yield maintenance repurchase agreements:
 1. Carrying amount and market value at June 30 of securities to be resold _____
 2. Description of the terms of the agreement _____
- e. Losses during the year due to default by counterparties to deposit or investment transactions _____

STATE OF LOUISIANA
Louisiana Soybean and Grain Research Promotion Board
Notes to the Financial Statement
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- f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements N/A

- g. Source of legal or contractual authorization for use of reverse repurchase agreements _____
- h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements as of Year-End N/A

- i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at year end, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest _____
- j. Commitments on _____ (fiscal close) to repurchase securities under yield maintenance agreements _____
- k. Market value on _____ (fiscal close) of the securities to be repurchased _____
- l. Description of the terms of the agreements to repurchase _____
- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____
- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures N/A

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____
- p. Basis for determining which investments, if any, are reported at amortized cost _____
- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____
- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____
- s. Any involuntary participation in an external investment pool _____

STATE OF LOUISIANA
Louisiana Soybean and Grain Research Promotion Board
Notes to the Financial Statement
As of and for the year ended June 30, 2006

t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining fair value and the reasons for having had to make such an estimate _____

u. Any income from investments associated with one fund that is assigned to another fund _____

D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS N/A

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

	Year ended June 30, 2006					
	Balance 6/30/2005	Prior Period Adjustment	Adjusted Balance 7/1/2005	Additions	Transfers*	Retirements
Capital assets not being depreciated						
Land	\$	\$	\$	--	\$	\$
Non-depreciable land improvements				--		
Capitalized collections				--		
Construction in progress				--		
Total capital assets not being depreciated	\$	\$	\$	--	\$	\$
Other capital assets						
Furniture, fixtures, and equipment	\$	\$	\$	--	\$	\$
Less accumulated depreciation				--		
Total furniture, fixtures, and equipment				--		
Buildings and improvements				--		
Less accumulated depreciation				--		
Total buildings and improvements				--		
Depreciable land improvements				--		
Less accumulated depreciation				--		
Total depreciable land improvements				--		
Infrastructure				--		
Less accumulated depreciation				--		
Total infrastructure				--		
Total other capital assets	\$	\$	\$	--	\$	\$
Capital Asset Summary:						
Capital assets not being depreciated	\$	\$	\$	--	\$	\$
Other capital assets, at cost				--		
Total cost of capital assets				--		
Less accumulated depreciation				--		
Capital assets, net	\$	\$	\$	--	\$	\$

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

STATE OF LOUISIANA
Louisiana Soybean and Grain Research Promotion Board
Notes to the Financial Statement
As of and for the year ended June 30, 2006

E. INVENTORIES N/A

The BTA's inventories are valued at _____ (method of valuation). These are perpetual inventories and are expensed when used. **NOTE: DO NOT INCLUDE POSTAGE. THIS IS SHOWN AS A PREPAYMENT.**

F. RESTRICTED ASSETS N/A

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$_____ in the non-current assets section on Statement A, consisting of \$_____ in cash with fiscal agent, \$_____ in receivables, and \$_____ investment in _____ (identify the type of investments held.) State the purpose of the restrictions:

G. LEAVE N/A

1. COMPENSATED ABSENCES

The _____ (BTA) has the following policy on annual and sick leave: (Describe leave policy.)

An example disclosure follows:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE N/A

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at _____ (fiscal close) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$_____. The leave payable (is) (is not) recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM N/A

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees. (Note: If LASERS is not your entity's retirement system, indicate the retirement system that is and replace any wording in this note that doesn't apply to your retirement system with the applicable wording.)

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS.

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Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2005 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and is also available on-line at: [http://www.lasers.state.la.us/PDFs/Publications and Reports/Fiscal Documents/Comprehensive Financial Reports/Comprehensive%20Financial%20Reports_05.pdf](http://www.lasers.state.la.us/PDFs/Publications%20and%20Reports/Fiscal%20Documents/Comprehensive%20Financial%20Reports/Comprehensive%20Financial%20Reports_05.pdf)

Members are required by state statute to contribute with the single largest group ("regular members") contributing 7.5% of gross salary, and the (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 20__, decreased / increased to __% of annual covered payroll from the __% and __% required in fiscal years ended June 30, 2005 and 2004 respectively. The (BTA) contributions to the System for the years ending June 30, 2006, 2005, and 2004, were \$____, \$____, and \$____, respectively, equal to the required contributions for each year.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS N/A

GASB 12 requires the following disclosures about an employer's accounting for post retirement health care and life insurance benefits: **(NOTE: Ensure that the number of retirees is disclosed below)**

1. A description of the benefits provided and the employee group covered.
2. A description of the accounting and funding policies followed for those benefits.
3. The cost of those benefits recognized for the period, unless the costs are not readily determinable.*
4. The effect of significant matters affecting the comparability of the costs recognized for all periods presented.

*If the cost of any post retirement health care or life insurance benefits for retirees cannot readily be separated from the cost of providing such benefits for active employees or otherwise be reasonably approximated, the total cost of providing those benefits to active employees and retirees, as well as the number of active employees and the number of retirees covered by the plan must be disclosed (part (b) below).

The _____ (BTA) provides certain continuing health care and life insurance benefits for its retired employees. Substantially all (BTA) employees become eligible for post employment health care and life insurance benefits if they reach normal retirement age while working for the (BTA). These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the (BTA). Complete (a) below if the cost of retiree post-employment health care benefits can be separated from active employees, otherwise complete part (b).

STATE OF LOUISIANA
Louisiana Soybean and Grain Research Promotion Board
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a) For 2006, the cost of providing those benefits for the _____ retirees (# of retirees) totaled \$_____.

b) The (BTA) recognizes the cost of providing these benefits (BTA's portion of premiums) as an expenditure when paid during the year, which was \$_____ for the year ended _____, 20____. The cost of providing those benefits for _____ retirees (# of retirees) is not separable from the cost of providing benefits for the _____ active employees (# of active employees)].

J. LEASES N/A

NOTE: Where five-year amounts are requested, list the total amount (sum) for the five-year period, not the annual amount for each of the five years.)

1. OPERATING LEASES

The total payments for operating leases during fiscal year _____ amounted to \$_____. (Note: If lease payments extend past FY 2021, create additional columns and report these future minimum lease payments in five year increments.) A schedule of payments for operating leases follows:

<u>Nature of lease</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012- 2016</u>	<u>FY 2017- 2021</u>
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

2. CAPITAL LEASES

Capital leases are / are not recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Schedule A should be used to report all capital leases including new leases in effect as of 6/30/06. In Schedule B, report only those new leases entered into during fiscal year 2005-2006.

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Louisiana Soybean and Grain Research Promotion Board
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SCHEDULE A – TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2026, create additional rows and report these future minimum lease payments in five year increments.)

<u>Year ending June 30 :</u>	<u>Total</u>
2007	\$ _____
2008	_____
2009	_____
2010	_____
2011	_____
2012-2016	_____
2017-2021	_____
2022-2026	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

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SCHEDULE B - NEW AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2026, create additional rows and report these future minimum lease payments in five year increments.)**

<u>Year ending June 30:</u>	<u>Total</u>
2007	\$ _____
2008	_____
2009	_____
2010	_____
2011	_____
2012-2016	_____
2017-2021	_____
2022-2026	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

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SCHEDULE C – LEAF CAPITAL LEASES

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2026, create additional rows and report these future minimum lease payments in five year increments.)**

<u>Year ending June 30:</u>	<u>Total</u>
2007	\$ _____
2008	_____
2009	_____
2010	_____
2011	_____
2012-2016	_____
2017-2021	_____
2022-2026	_____
Total minimum lease payments	_____
Less amounts representing executory costs	_____
Net minimum lease payments	_____
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____

3. LESSOR DIRECT FINANCING LEASES N/A

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

Collectibility of the minimum lease payments is reasonably predictable.
No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

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Provide a general description of the direct financing agreement and complete the chart below:

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	_____	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____	_____
c. Land	_____	_____	_____	_____
Less amounts representing executory costs		_____		
Minimum lease payment receivable		_____ -		
Less allowance for doubtful accounts		_____		
Net minimum lease payments receivable		_____ -		
Less estimated residual value of leased property		_____		
Less unearned income		_____		
Net investment in direct financing lease		\$ _____ -		

Minimum lease payment receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2006 were \$_____ for office space, \$_____ for equipment, and \$_____ for land.

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2026, please create additional rows and report these future minimum lease payment receivables in five year increments.)**

Year ending _____:	
2007	\$ _____
2008	_____
2009	_____
2010	_____
2011	_____
2012-2016	_____
2017-2021	_____
2022-2026	_____
Total	\$ _____ -

4. LESSOR – OPERATING LEASE N/A

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

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Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20__:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2021, please create additional columns and report these future minimum lease payment receivables in five year increments.)**

<u>Year Ended</u> <u>June 30,</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2007	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2008					-
2009					-
2010					-
2011					-
2012-2016					-
2017-2021					-
Total	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____

Current year lease revenues received in fiscal year _____ totaled \$ _____.

Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

K. LONG-TERM LIABILITIES N/A

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 20__:
 (Balances at June 30th should include current and non-current portion of long-term liabilities.)

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	Year ended June 30, 2006				Amounts due within one year
	Balance June 30, 2005	Additions	Reductions	Balance June 30, 2006	
Notes and bonds payable:					
Notes payable	\$	\$	\$	\$ --	\$
Reimbursement contracts payable				--	
Bonds payable				--	
Total notes and bonds	--	--	--	--	--
Other liabilities:					
Contracts payable				--	
Compensated absences payable				--	
Capital lease obligations				--	
Claims and litigation				--	
Liabilities payable from restricted assets				--	
Other long-term liabilities				--	
Total other liabilities	--	--	--	--	--
Total long-term liabilities	\$ --	\$ --	\$ --	\$ --	\$ --

(Send OSRAP a copy of the amortization schedule for any new debt issued.)

L. CONTINGENT LIABILITIES N/A

GAAP require that the notes to the financial statements disclose any situation where there is at least a reasonable possibility that assets have been impaired or that a liability has been incurred along with the dollar amount if it can reasonably be estimated. **Do not report impaired capital assets as defined by GASB 42 below, rather disclose GASB 42 impaired capital assets in Note CC.** Losses or ending litigation that is probable should be reflected on the balance sheet.

The _____ (BTA) is a defendant in litigation seeking damages as follows: (Only list litigation not being handled by the Office of Risk Management or the Attorney General.)

Date of Action	Description of Litigation and Probable outcome (Remote, reasonably possible, or probable)	*Damages Claimed	Insurance Coverage
		\$	\$
Totals		\$ -	\$ -

*Note: Liability for claims and judgments should include should include specific, incremental claim expenses if known or if it can be estimated. For example, the cost of outside legal assistance on a particular claim may be an incremental cost, whereas assistance from internal legal staff on a claim may not be incremental because the salary costs for internal staff normally will be incurred regardless of the claim. (See GASB 30, paragraph 9)

Claims and litigation costs of \$_____ (include incremental cost discussed above) were incurred in the current year and are reflected in the accompanying financial statement.

STATE OF LOUISIANA
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Disclose any cases where it is probable that a liability has been incurred, but the effect of the liability has not been reflected in the financial statements because it can not be estimated. _____

Disclose any guarantee of indebtedness even if there is only a remote chance that the government will be called on to honor its guarantee. _____

M. RELATED PARTY TRANSACTIONS

FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. A balance of \$18,935.07 is due to the United Soybean Board for the quarter ended June 30, 2006. This was remitted in July of 2006.

N. ACCOUNTING CHANGES N/A

Accounting changes made during the year involved a change in accounting _____ (principle, estimate or entity). The effect of the change is being shown in _____.

O. IN-KIND CONTRIBUTIONS N/A

List all in-kind contributions that are not included in the accompanying financial statements.

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____ -

P. DEFEASED ISSUES N/A

In _____, 20____, the _____ (BTA), issued \$_____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$_____, plus an additional \$_____ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$_____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$_____.

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Q. COOPERATIVE ENDEAVORS N/A

LRS 33:9022 defines cooperative endeavors as any form of economic development assistance between and among the state of Louisiana, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The state of Louisiana has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the state.

Some cooperative endeavor contracts are not coded with a document type of "COP" on the Contract Financial Management Subsystem (CFMS), but are considered cooperative endeavors. Include these below with your cooperative endeavor contracts coded with a document type of "COP". Examples of contracts that are considered cooperative endeavors, but are not coded with a document type of "COP" include contracts that fall under delegated authority, Facility Planning and Control "CEA" contracts, certain federal government contracts, contracts that legislative auditors may have designated as such within your agency, work incumbent programs, etc. In prior years, this information was requested as supplemental documentation after the AFRs were submitted, usually in October or November.

The liability outstanding for fiscal year ending June 30, 2006, by funding source, is as follows:

<u>Funding Source</u>	<u>Balance</u> <u>June 30, 2006</u>
State General Fund	\$ _____
Self-generated revenue	_____
Statutorily dedicated revenue	_____
General obligation bonds	_____
Federal funds	_____
Interagency transfers	_____
Other funds/combination	_____
Total	\$ _____

NOTE: Amounts in excess of contract limits **cannot** be used to reduce the outstanding contract balance at June 30, 2006. For example, if a contract specifies a percentage of usage for each month (25%) and usage exceeds that percentage (75%), you cannot claim actual usage that exceeds contract requirements (50%).

NOTE: In order to compute ending balances by funding source, you should begin with your balances at June 30, 2005. These amounts will be increased by amounts for new contracts and amendments and decreased for payments and liquidations.

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R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS) N/A

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2005-2006:

<u>CFDA Number</u>	<u>Program Name</u>	<u>State Match Percentage</u>	<u>Total Amount of Grant</u>
			\$
Total government-mandated nonexchange transactions (grants)			\$ -

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS N/A

At June 30, 20__, the _____ (BTA) was not in compliance with the provisions of _____ Bond Reserve Covenant that requires _____ to correct this deficiency. The _____ (BTA) did _____

T. SHORT-TERM DEBT N/A

The _____ (BTA) issues short-term notes for the following purpose(s) _____

Short-term debt activity for the year ended June 30, 20__, was as follows:

<u>List the type of Short-term debt (e.g., tax anticipation notes)</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
	\$	\$	\$	\$ -

The _____ (BTA) uses a revolving line of credit for the following to finance _____ (list purpose for the S-T debt).

Short-term debt activity for the year ended June 30, 20__, was as follows:

	<u>Beginning Balance</u>	<u>Draws</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Line of credit	\$	\$	\$	\$ -

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U. DISAGGREGATION OF RECEIVABLE BALANCES N/A

Receivables at June 30, 20__, were as follows:

Fund	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
	\$	\$	\$	\$	\$
Gross receivables	\$ -	\$ -	\$ -	\$ -	\$ -
Less allowance for uncollectible accounts	-	-	-	-	-
Receivables, net	\$ -	\$ -	\$ -	\$ -	\$ -
Amounts not scheduled for collection during the subsequent year	\$	\$	\$	\$	\$ -

V. DISAGGREGATION OF PAYABLE BALANCES N/A

Payables at June 30, 20__, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
	\$	\$	\$	\$	\$
Total payables	\$ -	\$ -	\$ -	\$ -	\$ -

W. SUBSEQUENT EVENTS N/A

Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.

X. SEGMENT INFORMATION N/A

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by the segment

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Louisiana Soybean and Grain Research Promotion Board
Notes to the Financial Statement
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A. Condensed balance sheet:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTA's should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTA's should be reported separately.
- (3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

Condensed Balance sheet:

	<u>Segment #1</u>	<u>Segment #2</u>
Current assets	\$ 1,167,683	\$
Due from other funds		
Capital assets		
Other assets	200,000	
Current liabilities	439,341	
Due to other funds		
Long-term liabilities		
Restricted net assets		
Unrestricted net assets	928,342	
Invested in capital assets, net of related debt		

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

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Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

	<u>Segment #1</u>	<u>Segment #2</u>
Operating revenues	\$ 1,153,267	\$
Operating expenses	1,286,547	
Depreciation and amortization		
Operating income (loss)	(133,279.47)	-
Nonoperating revenues (expenses)	61,664.33	
Capital contributions/additions to permanent and term endowments		
Special and extraordinary items		
Transfers in		
Transfers out		
Change in net assets	(71,615.14)	-
Beginning net assets	999,956.75	
Ending net assets	928,341.61	-

C. Condensed statement of cash flows:

- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
- (2) Beginning cash and cash equivalent balances
- (3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

	<u>Segment #1</u>	<u>Segment #2</u>
Net cash provided (used) by operating activities	\$ (489,752)	\$
Net cash provided (used) by noncapital financing activities		
Net cash provided (used) by capital and related financing activities		
Net cash provided (used) by investing activities	61,664	
Beginning cash and cash equivalent balances	1,561,988	
Ending cash and cash equivalent balances	1,133,900	-

Y. DUE TO/DUE FROM AND TRANSFERS N/A

1. List by fund type the amounts **due from other funds** detailed by individual fund at fiscal year end:
 (Types of funds include general fund, statutory dedicated funds, discrete component unit funds, etc).

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$
Total due from other funds		\$

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2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total due to other funds		\$ _____

3. List by fund type **all transfers from other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers from other funds		\$ _____

4. List by fund type **all transfers to other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers to other funds		\$ _____

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS N/A

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the current liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS N/A

The following adjustments were made to restate beginning net assets for June 30, 20__.
Each adjustment must be explained in detail on a separate sheet.

<u>Ending net assets</u> <u>July 1, 2005,</u> <u>previously reported</u>	<u>Adjustments</u> <u>+ or (-)</u>	<u>Beginning net</u> <u>assets, July 1, 2005,</u> <u>as restated</u>
_____	_____	\$ _____ --
_____	_____	_____ --
_____	_____	_____ --
_____	_____	_____ --
_____	_____	_____ --
_____	_____	_____ --

(NOTE: Net Assets at July 1, 20__, previously reported, must correspond to Net Assets at June 30, 20__, per the information received from OSRAP.)

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46) N/A

Of the total net assets reported on Statement A at June 30, 20__, \$ _____ are restricted by enabling legislation (which includes a legally enforceable requirement that the resources be used only for

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Louisiana Soybean and Grain Research Promotion Board
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the specific purposes stipulated in the legislation). Refer to Appendix C for more details on the determination of the amount to be reported as required by GASB Statement 46.

CC. IMPAIRMENT OF CAPITAL ASSETS N/A

GASB 42 establishes accounting and financial reporting standards for the impairment of capital assets. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. **See Appendix D for more information on GASB 42 and the Impairment of Capital Assets.**

The following capital assets are considered impaired: (There are five indicators of impairment described in Appendix D, (1) physical damage, (2) enactment of laws, etc. List the appropriate number (1-5) to identify the indicator of impairment in the second to last column below.)

<u>Type of asset</u>	<u>Amount of Impairment Loss</u>	<u>Indication of Impairment</u>	<u>Insurance Recovery in the same FY</u>	<u>Reason for Impairment (e.g. hurricane)</u>
Buildings	_____	_____	_____	_____
Movable Property	_____	_____	_____	_____
Infrastructure	_____	_____	_____	_____

The carrying amount of impaired capital assets that are idle at year-end should be disclosed, regardless of whether the impairment is considered permanent or temporary. The following capital assets were idle at the end of the fiscal year. (Include the capital assets listed above that were idle at the end of the fiscal year.)

<u>Type of asset</u>	<u>Carrying Value</u>
Buildings	\$ _____
Movable Property	\$ _____
Infrastructure	\$ _____

DD. EMPLOYEE TERMINATION BENEFITS N/A

Termination benefits are benefits, other than salaries and wages that are provided by employers as settlement for involuntary terminations initiated by management, or as an incentive for voluntary terminations initiated by employees. Involuntary termination benefits include benefits such as payment for unused leave balances. Voluntary termination benefits include benefits such as enhanced early retirement options resulting from an approved early retirement plan and payment for unused leave balances. Other termination benefits may include:

1. Early retirement incentives, such as cash payments, enhancement to defined benefit formula
2. Health care coverage when none would otherwise be provided (COBRA)
3. Compensated absences, including payments for leave balances

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4. Payments due to early release from employment contracts

GASB 47 requires the following disclosures about an employer's accounting for employee termination benefits.

1. A description of the termination benefit arrangement(s)
2. Period the employer becomes obligated
3. Number of employees affected
4. Cost of termination benefits
5. Type of benefit(s) provided
6. The period of time over which the benefits are expected to be provided
7. If the termination benefit affects the defined benefit pension (OPEB) obligations, disclose the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefit
8. When termination liabilities are reported, disclose the significant methods and assumptions used to determine the liabilities to be disclosed (for as long as the liability is reported)

The GASB 47 note disclosures listed below are provided as an example and should be modified as necessary.

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For 2006, the cost of providing those benefits for _____ (number of) voluntary terminations totaled \$_____. For 2006, the cost of providing those benefits for _____ (number of) involuntary terminations totaled \$_____. [The termination benefits (voluntary and involuntary) paid in FY 2006 should also be included in the Statement of Revenues, Expenses, and Changes in Fund Net Assets on the account line "Administrative" in the Operating Expense Section.]

The liability for the accrued voluntary terminations benefits payable at June 30, _____ is \$_____. This liability consists of _____ (number of) voluntary terminations. The liability for the accrued involuntary terminations benefits payable at June 30, _____ is \$_____. This liability consists of _____ (number of) involuntary terminations.

[The termination benefits (voluntary and involuntary) payable at fiscal year end should also be included on the Balance Sheet in the "compensated absences payable" account line.]

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact. Briefly describe termination benefits provided to employees as discussed above. If none, please state that fact.

A terminated employee can continue to access health benefits, however, if the COBRA participant is paying the ENTIRE premium then there is no state contribution on behalf of this individual. Therefore, when a terminated employee pays 100% of the premium, the state would not have a termination liability.

N/A

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF STATE FUNDING
For the Year Ended _____
(Fiscal Close)

N/A

<u>Description of Funding</u>	<u>Amount</u>
1. _____	\$ _____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
Total	\$ _____

SCHEDULE 2

STATE OF LOUISIANA
 _____ (BTA)
 SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE
 _____, 20__
 (Fiscal Close)
 N/A

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____

*Send copies of new amortization schedules

STATE OF LOUISIANA

(BTA)

SCHEDULE OF NOTES PAYABLE

_____, 20____
(Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	N/A Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____

*Send copies of new amortization schedules

SCHEDULE 3-B

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF BONDS PAYABLE
 _____, 20____
 (Fiscal close)

N/A

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____

*Send copies of new amortization schedules

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF REIMBURSEMENT CON
TRACTS PAYABLE AMORTIZATION
 For The Year Ended _____
 (Fiscal Close)

N/A

Fiscal Year Ending:	Principal	Interest
2007	\$ _____	\$ _____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
2031	_____	_____
Total	\$ _____ --	\$ _____ --

STATE OF LOUISIANA
(BTA)
SCHEDULE OF CAPITAL LEASE AMORTIZATION
For The Year Ended June 30, 20__

N/A

Fiscal Year Ending:	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
2007	\$ _____	\$ _____	\$ _____	\$ _____ --
2008	_____	_____	_____	_____ --
2009	_____	_____	_____	_____ --
2010	_____	_____	_____	_____ --
2011	_____	_____	_____	_____ --
2012-2016	_____	_____	_____	_____ --
2017-2021	_____	_____	_____	_____ --
2022-2026	_____	_____	_____	_____ --
2027-2031	_____	_____	_____	_____ --
Total	\$ <u>_____ --</u>	\$ <u>_____ --</u>	\$ <u>_____ --</u>	\$ <u>_____ --</u>

SCHEDULE 4-B

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF NOTES PAYABLE AMORTIZATION
 For the Year Ended June 30, 20__
 N/A

<u>Fiscal Year</u> <u>Ending:</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ _____	\$ _____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012-2016	_____	_____
2017-2021	_____	_____
2022-2026	_____	_____
2027-2031	_____	_____
Total	\$ _____ --	\$ _____ --

SCHEDULE 4-C

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF BONDS PAYABLE AMORTIZATION
 For The Year Ended June 30, 20__
 N/A

Fiscal Year Ending:	Principal	Interest
2007	\$ _____	\$ _____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
2031	_____	_____
Total	\$ _____ --	\$ _____ --

STATE OF LOUISIANA
LOUISIANA SOYBEAN AND GRAIN RESEARCH
AND PROMOTION BOARD

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2006</u>	<u>2005</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ <u>1,153,267</u>	\$ <u>1,317,106</u>	\$ <u>163,839.12</u>	\$ <u>.12%</u>
Expenses	<u>1,286,547</u>	<u>1,258,921</u>	<u>27,626</u>	<u>.02%</u>
2) Capital assets	<u></u>	<u></u>	<u>-</u>	<u></u>
Long-term debt	<u></u>	<u></u>	<u>-</u>	<u></u>
Net Assets	<u>928,342</u>	<u>999,957</u>	<u>71,615</u>	<u>.07%</u>
Explanation for change:	<u></u>			
	<u></u>			
	<u></u>			
	<u></u>			